## CENTRAL INTELLIGENCE AGENCY

18 April 1949

## INTELLIGENCE MEMORANDUM NO. 162

SUBJECT: Consequences of German Socialist Party Refusal to Approve the Present Draft of the Bonn Constitution

- 1. Despite the probability that the German Socialist Party (SPD) will approve the Bonn constitution, there are elements of danger in the situation. The recent provisional decision of the Executive Board of the SPD to reject further compromises on the West German constitution represents a continuation of Socialist bargaining tactics. Potentially more serious, however, is the recommendation that an "administrative statute" be adopted as a substitute for the draft constitution. The final SPD decision is scheduled to be made at a party conference on 20 April.
- 2. The serious SPD dissatisfaction with the proposed Bonn constitution stems from the following relatively long-standing causes: (1) Allied refusal to sanction SPD political, economic, and social measures; (2) ineffectiveness of SPD opposition to the occupying powers and the dominant conservative party bloc, as well as inability to influence legislation in a positive manner; and (3) SPD failure or inability to incorporate its principles in the basic law itself, either through a greater degree of centralization or in such a manner as to improve its tactical position in any future government.
- 3. Even though the SPD may have recommended adoption of an administrative statue primarily as a bargaining maneuver, such a statute could be used as a means of

NOTE: This paper has been coordinated at the working-level with the Intelligence Organization of the Department of State.

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avoiding some of the onus of outright refusal to agree to the draft constitution. Although concerted US, UK, and French pressure will probably compel the SPD to capitulate and approve the draft constitution,\* in general, SPD refusal to ratify the constitution would be seriously detrimental to US objectives and interests in West Germany in view of the following four main consequences:

- (a) Without SPD participation, the other political parties might not be able to complete a constitution and form a government. Even if such a government were formed, it would be generally impotent and unreliable, because the Socialists are the only homogeneous and powerful anti-Soviet party in western Germany.
- (b) The US would be forced to give open support to the CDU/CSU, a loosely-knit association of conservative political groups of questionable stability and reliability, and several smaller parties of generally similar viewpoint. West German industrial and commercial circles could be expected to exert a considerable influence over the policies of these parties.
- (c) As a result of failure to ratify the constitution, the SPD would suffer from internal strife and some loss of strength. In addition, the SPD would probably adopt a less responsible policy, which would result in trade union unrest and ultimate damage to ECA.

<sup>\*</sup> See CIA Intelligence Memorandum No. 160, 11 April 1949, subject: "West German Reaction to Unity Overtures."

(d) Failure of the US, UK, and France to set up a relatively representative and successful West German government would weaken the western position in any future negotiations with the USSR over Germany. The absence of a representative government would also encourage the development of extreme nationalism as well as that of the Communist Party.

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